

STAT

**Page Denied**

STAT

ITALIAN NEWSPAPER REPORTS ON CONDITIONS IN COMMUNIST CHINAIl Giornale d'Italia  
Rome, 14 Nov 53

Dexter Wong

Misery, hunger, privations, disease, and suffering have struck the People's Republic of China, which is now experiencing the consequences of Communist dictatorship. There is no possible escape because all vital nerve centers are under Kremlin control. The agreements between the People's Republic of China and the USSR have virtually made China an integral part of the Soviet Union.

Soviet Submarine Fleet Has Chinese Bases

The Peiping government has recently ceded to the Soviet submarine fleet the following Pacific naval bases: Hu-lu-tao, Tsingtao, Lien-yun-chiang, Yulin, Amoy, Kuang-chou-wan, Chu-shan, and Swatow. Other secret bases have been turned over to the USSR at Ch'ang-chou and on Wei-chou Tao, south of Kwangtung.

Soviets Control All Chinese Airfields

The Chinese government has placed all airfields at the disposal of the USSR. Chinese civil aviation is almost nonexistent; at present, there are three secondary airlines in China and no commercial planes.

Air Raid Defense at Hainan Island

In the early part of November 1953, antiaircraft practice took place at Hainan Island in southern China. The exercises, under General Ch'en Shun-chang, deputy commander of the government antiaircraft services, practiced defense against a possible attack from Taiwan. The organization of the land defensive forces was inefficient and the interceptor planes were slow in meeting the attacking force.

Sino-Soviet Oil Enterprise in Urumchi

The Sino-Soviet Oil Enterprise is a further indication of Soviet penetration in China. In northern Sinkiang, 150 Soviet experts have begun prospecting for petroleum in the subsoil near Urumchi. All Chinese labor necessary for the construction of roads to the oil wells has been made available to the Soviet technicians. More than 20,000 coolies are being used. The rigorous climate and privations take an extremely high toll. On the pretext that China lacks oil refineries, the oil will be shipped to the USSR where it undoubtedly will remain.

STAT

Soviet Advisers in China

At present, there are 45,000 Soviet advisers in Chinese industrial and government organizations. It is estimated that 12,000 are attached to the army, 4,000 to the air force, and 3,000 to the navy. An additional 5,000 have political functions and 12,000 are attached to government organizations.

Soviets Control Chinese Fishing Industry

The Chinese fishing industry is controlled by Soviet officers who are in charge of the port captaincies. Chinese fishermen may not go more than 2,000 meters from the coast. They are under constant surveillance to prevent espionage or contacts with foreigners.

Health, Cost of Living, Illegal Practices, Income Inequalities

Tuberculosis -- Recently, tuberculosis has been spreading through the army and even to the civilian population, especially old people and children. At least one third of the Communist cadres are infected and the mortality rate is high. Insufficient and improper nutrition is the main cause of the disease. Agricultural production is sufficient to feed only one fifth of the population and the USSR is not able to supply the People's Republic of China with grains which are also scarce in the Soviet Union. The death rate during the first half of 1953 was seven times higher than that of the last half of 1952.

Cost of Living -- In Canton, a woolen sweater costs 40-50 US dollars; a pair of woolen socks, 10-12; a suit of mixed cloth, 250; and, a wool overcoat, 350.

Illegal Traffic in Gold -- An unscrupulous gang of speculators buys gold coins and articles of gold from the impoverished Chinese at very low prices and then makes deliveries to confederates in Hong Kong. In exchange for gold, the operators purchase luxury items which are then sold to the privileged few in China.

The counterfeiting of US dollars and of gold coins is very widespread; the police do very little to control the situation.

Income Inequalities -- In the midst of this misery, there are many expensive night clubs, especially in Peiping, Nanking, Urumchi, Canton, and Hankow, which are patronized by high Chinese Communist officials and Soviet personnel. A bottle of Martell cognac costs 40 US dollars; a bottle of Black and White whiskey, 60; and, a bottle of French champagne, 20. In spite of all fiscal regulations, the main currency in use in these establishments is the US dollar, which is being smuggled into China in large quantities.

STAT